

Congress of the United States
Washington, DC 20515

December 17, 2021

The Honorable Charles Schumer
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Republican Leader
U.S. House of Representatives
Washington, DC 20515

Dear Majority Leader Schumer, Minority Leader McConnell, Speaker Pelosi, and Republican Leader McCarthy:

As Members of Congress representing one of the nation's top coal-producing states, we write to you concerned about the many anti-coal provisions contained in the House-passed version of the Build Back Better Act. This legislation, which is now being negotiated in the Senate, has multiple policies that would stymie economic growth throughout coal country and harm the livelihoods of those living in West Virginia and the greater region. We are heartened to see the latest version of the Senate Committee on Energy and Natural Resources print eliminates these dangerous policies. We are grateful to Chairman Manchin for his efforts on this matter. We ask that, as you continue to negotiate this legislation, you ensure these provisions remain out of the final bill as they would negatively impact coal production and cost American jobs.

The provisions in the House-passed version of the Build Back Better Act that would negatively impact coal operators, coal communities, and the livelihoods of everyday Americans are as follows:

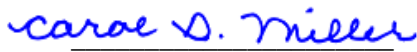
- Section 71404, Deferred Coal Bonus Payments: This section of the bill repeals the ability for coal operators to defer bonus payments. The ability to defer bonus payments is relied upon by coal companies in their business plans.
- Section 71406, Fossil Fuel Lease Term Length: This portion of the legislation cuts the length of a primary coal lease term in half, from twenty years to ten years. Section 71406 will make it more difficult for companies to plan long term and reduce the economic viability of certain projects. Certainty is critical for creating long term jobs in coal communities and providing for the economic growth in these rural areas.
- Section 71413, Severance Fees: This section requires the Secretary of the Interior to collect \$2 per metric ton on coal production. According to the National Mining Association, this fee will cost the industry an additional \$14 billion. Increased fees will hurt coal production, hurt miner employment, and have a negative impact on revenues for local city and county governments.

- Section 71417, Elimination of Royalty Relief: This section of the bill repeals the government's or coal operator's ability to even consider royalty relief for specific reasons that are already limited by existing law and regulations.

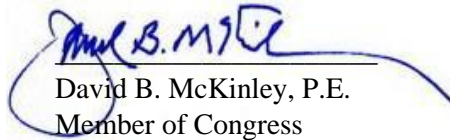
The language contained in the House-passed Build Back Better Act seeks to make coal production much more difficult. As we enter the winter months, support for coal is critical to keep our homes warm, schools and places of business powered, and to prevent interruptions to our nation's power grid. Now is not the time to play politics with this key baseload energy source.

Further, America's miners work tirelessly to provide this reliable energy source for Americans. In West Virginia, the mining and coal-fired power generation industries supported 33,000 jobs in 2019.¹ Combined, these two industries provided about \$14 billion in economic activity.² Also, several companies that produce federal coal are reinvesting and creating jobs in West Virginia. As America works to recover from the COVID-19 pandemic, now is not the time to unfairly target our coal industry and take away much needed employment in local communities that rely on coal jobs as a primary economic driver. Particularly in states like West Virginia, these harmful provisions will be felt most acutely. We ask that the aforementioned sections not be included in the final version of the Build Back Better Act.

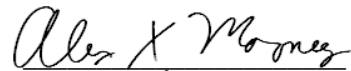
Sincerely,



Carol D. Miller
Member of Congress



David B. McKinley, P.E.
Member of Congress



Alex X. Mooney
Member of Congress

¹ Pace, Fred. "Coal is still king in West Virginia, but for how long?" The Herald-Dispatch. April 18, 2021. Accessed December 13, 2021. https://www.herald-dispatch.com/business/coal-is-still-king-in-west-virginia-but-for-how-long/article_b34a512d-c239-56e5-ac4f-3ccfb5ea77d4.html

² Pace, Fred. "Coal is still king in West Virginia, but for how long?"